

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

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GAIN Report Number:

Pakistan

Post: Islamabad

Pakistan Allows Wheat Exports

Report Categories:

Grain and Feed

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Report Highlights:

The Government of Pakistan (GOP) has announced that the private sector will be permitted to export up to one million metric tons (MMT) of wheat. Taking into account current world market prices, Post's estimate of Pakistan's MY2010/11 wheat exports is raised to 500,000 MT. Post's estimate of Pakistan's MY 2010/11 wheat production was increased to 23.9 MMT

General Information:

On December 7th, the Government of Pakistan (GOP) announced that they would allow private sector wheat exports of up to one million metric tons (MMT). The decision was made in response to a request made by the Punjab provincial government, which currently holds over 5.7 MMT of wheat stocks. According to trade circles, it will be difficult for Pakistan to export 1.0 MMT of wheat during the current marketing year (May/April), as the government has yet to work out modalities and logistics for the export. At current international prices, trade sources doubt that Pakistani wheat will be competitive in off-shore markets; but maintain that exports to Afghanistan will likely increase in response to the decision. Consequently, Post's estimate of Pakistan's MY 2010/11 wheat exports is increased to 500,000 MT.

Post's estimate of Pakistan's MY2010/11 wheat production is adjusted upward 6 percent to 23.9 MMT, in accordance with the latest government of Pakistan production data. MY2010/11 ending stocks are now forecasted at 3.3 MMT; up 10 percent from last year. Imports are estimated at 300,000 MT mainly comprised of food aid and for use in specialized wheat products.

The GOP estimates the 2010 wheat crop as the second largest harvest on record. The GOP maintains that MY 2010/11 production was almost at par with the last year's record wheat production of nearly 24.0 MMT. The two consecutive record harvests have enabled Pakistan to avoid food security issues and allow for exports; this despite experiencing the worst flood in a century. The availability of adequate supplies is supported by large government controlled stocks reported at 9.0 MMT as of November 29, 2010 and stable market prices.

Production, Supply and Demand Data Statistics :

Wheat Pakistan	2008			2009			2010		
	2008/2009			2009/2010			2010/2011		
	Market Year Begin: May 2008			Market Year Begin: May 2009			Market Year Begin May 2010		
	Annual Data Displayed			Annual Data Displayed			Annual Data displayed		
	Offici al	Pos t	Data	Offici al	Pos t	Data	Offici al	Pos t	Data
Area Harvested	8,550	8,549	8,549	9,046	9,046	9,046	9,000	9,028	9,028
Beginning Stocks	3,478	2,719	2,719	2,663	1,944	1,944	3,366	3,000	3,000
Production	20,959	21,000	21,000	24,033	24,000	24,000	22,600	22,500	23,900
MY Imports	3,126	3,125	3,125	170	556	556	300	0	300
TY Imports	3,077	3,000	3,000	195	556	556	300	0	300
TY Imp. from U.S.	125	0	0	144	0	0	0	0	0
Total Supply	27,563	26,844	26,844	26,866	26,500	26,500	26,266	25,500	27,200
MY Exports	2,100	2,100	2,100	300	300	300	300	300	500
TY Exports	2,100	2,100	2,100	300	300	300	300	300	500
Feed Consumption	400	400	400	400	400	400	1,000	400	400
FSI Consumption	22,400	22,400	22,400	22,800	22,800	22,800	23,200	23,000	23,000
Total Consumption	22,800	22,800	22,800	23,200	23,200	23,200	24,200	23,400	23,400
Ending Stocks	2,663	1,944	1,944	3,366	3,000	3,000	1,766	1,800	3,300
Total Distribution	27,563	26,844	26,844	26,866	26,500	26,500	26,266	25,500	27,200
Yield	2.45	2.45	2.45	2.65	2.65	2.65	2.51	2.49	2.65

